NATIONAL COUNCIL OF WELFARE REPORTS

SOLVING POVERTY:

FOUR CORNERSTONES OF A WORKABLE NATIONAL STRATEGY FOR CANADA

WINTER 2007 | VOLUME #126

National Council of Welfare | Conseil national du bien-être social

Canada

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Également disponible en français sous le titre :

Rapports du Conseil national du bien-être social -
RÉSOUDRE LA PAUVRETÉ :
Quatre pierres angulaires d'une stratégie nationale viable pour le Canada.

© Minister of Public Works and Government Services Canada 2007
Cat. No. HS4-31/2007E
ISBN 978-0-662-44989-8

Publication mail agreement # 40065597
Return undeliverable Canadian addresses to:
112 Kent Street, 9th Floor
Ottawa, Ontario K1A 0J9
E-mail: ncw@magi.com

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2007-04031/

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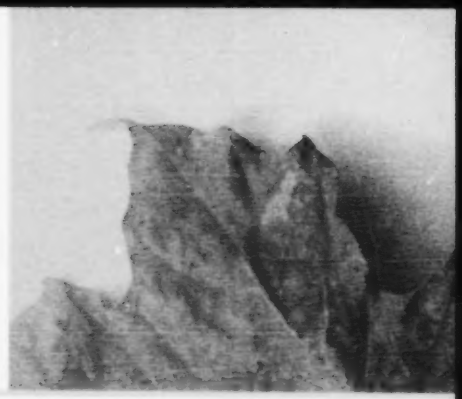

EXECUTIVE SUMMARY .. . .

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Canada has a poverty problem and economic insecurity is a growing issue for many Canadians. The National Council of Welfare knows these issues well because we have been unique in publishing regular, in-depth information about the dimensions of poverty for almost a quarter century. During this time, however, there has been little lasting improvement despite Canada's wealth, Canadians' good intentions and the promises governments have made.

> [Translation] I grew up in a home where my father was disabled and unable to work. My mother worked as a housekeeper to make ends meet. I went with her to apply for a mother's allowance and I will never forget how humiliating it was. Thanks to a free education, I was able to go to school and ... become a professional, which is why I am absolutely convinced that it is necessary to maintain universal public services... In conclusion, poverty is unacceptable in a rich country like Canada.
>
> – one of the over 5000 individual respondents to the NCW's Anti-Poverty and Income Security Questionnaire [1]

On the other hand, there is global evidence that poverty and insecurity can be reduced, and that economies and societies are stronger as a result. Canada could be a leader but instead it seems to be falling behind. The Council thinks Canadians want and deserve better.

The Council, therefore, set out to learn more about what is working and getting results, both here and around the world, and to find out what Canadians themselves think. We uncovered some common elements of success and we have used those to recommend the foundation for a made-in-Canada strategy to combat poverty, insecurity and exclusion. Solving poverty is a long-term and formidable task. It is also necessary. Our four cornerstones for a national strategy therefore, offer a practical and realistic foundation to start from and to build upon. We urge Canadian governments to take up the challenge. Canadians will welcome it and our future depends on it.

PART 1

WHAT THE NATIONAL COUNCIL OF WELFARE SET OUT TO DO

The National Council of Welfare (NCW) has been tracking poverty statistics for a quarter century. During that time, we have seen poverty rates for seniors drop dramatically. However, the poverty rates for all other age groups, including children, are almost exactly the same today as they were 25 years ago. Poverty rates for groups such as lone-parent families, Aboriginal people, recent immigrants and persons with disabilities remain unacceptably high. There have been staggering losses in welfare rates across the country and all welfare incomes fall far below the poverty line. Income inequality is increasing and for most Canadians income security is decreasing. Our many programs have become a tattered patchwork.

All levels of government need to acknowledge they have failed at protecting the most vulnerable members of Canada.

– one of the NCW's Questionnaire respondents[1]

This reality does not fit the image most Canadians have of their country as one that is fair, caring, prosperous, and one where human rights are respected. In 1989, the House of Commons committed to ending child poverty by 2000. But in reality it was a hollow promise—another generation of children is still growing up without a fair chance in life. More Canadians pay into employment insurance than ever before, but it protects fewer people—in 1990, 80% of the unemployed received benefits, now it is only about 40%. Many Canadians may work hard all year but at a low-wage job, they won't even reach the poverty line. And the lack of quality, affordable childcare still denies opportunities to parents and their children to succeed and build a better future.

Canada is a wealthy country and we have had more than a decade of good economic growth. But many people are being left behind and that puts our economic future at risk. The Council's Cost of Poverty Report from 2001 shows how much all Canadians pay in lost productivity, crime, poor health and skill shortages. These and other problems could be avoided if individuals and families had more income security and better chances in the first place.

Our governments have made commitments to the well being of all Canadians in the constitution, in human rights acts and in international treaties covering the right to an adequate standard of living, fair pay, social protection, equality, non-discrimination and much more. The United Nations treaty bodies periodically review the progress of countries and have urged Canada repeatedly to put a higher priority on fighting poverty, noting its high poverty rates compared to its relative wealth.

Canada is certainly not alone in the struggle against poverty. But poverty is higher on the international agenda than it is in this country. As a result, other countries are achieving greater progress and we wanted to learn from their experience.

In the following 'What we learned' section, we provide some highlights of countries similar to Canada that set out to reduce poverty and achieved positive results. Countries with far greater challenges than Canada are also making good progress. Within Canada, two provinces have recently made fighting poverty a priority and there is much to learn from them. And there is one great success story in Canada as a whole that offers lessons too—the concerted effort by governments in the 1960s that resulted in the dramatic reduction in poverty rates for seniors. Many organizations have identified priorities for future policy action, highlighting that Canada has a high degree of shared concern and a wealth of potential actions to draw from. The final part of what we learned comes from Canadians themselves, who responded to the NCW's anti-poverty and income security questionnaire that ran on our website between October and December, 2006.

> Canadians are strongly positive about the importance and the possibility of reducing the income gap. They are concerned that, if this is not achieved, there will be negative consequences. While many believe that upward economic mobility is possible in Canada, half fear that—for them personally—poverty is as close as a few missed pay-cheques.[2]
>
> – from a 2006 national poll by the Canadian Centre for Policy Alternatives

We then turn our attention to common threads and promising practices that show potential to be effective in different situations and, therefore, could be useful in Canada. In the final section, we take the specific Canadian context into account and make recommendations for the foundation of a national anti-poverty strategy. In the summer of 2006, we called for a national anti-poverty strategy and this report is our next step to help give it shape and make it a reality.

Various terms are used in this report for systematic efforts to fight poverty. They generally share the same concepts and practices as the NCW's use of the term "anti-poverty strategy". Those concepts include as an ultimate goal to eradicate poverty. The strategies are then focused on the most practical and effective combination of urgent and longer-term measures to progressively reach that goal. They include measures to prevent poverty at its structural and root causes; to improve the situation of people experiencing the deprivation of severe and persistent poverty; to reduce overall poverty rates; to reduce the risk of poverty among those with the highest rates; and to reduce large inequality gaps between rich and poor.

Much more will need to be built onto the cornerstones proposed by the Council, and we will have more to add in the future as our work continues. We hope this foundation will stimulate further discussion, debate **and action**—by Canadians and their governments.

PART 2

WHAT WE LEARNED

ANTI-POVERTY STRATEGIES IN OTHER COUNTRIES

EUROPEAN UNION

We began our search in Europe because we are interested in the basic foundations of an anti-poverty strategy—what can work well in a variety of different countries. There is indeed a common framework that guides the 25 countries that make up the **European Union**. The framework has as its three main objectives to promote:

- social cohesion, equality between men and women and equal opportunities for all through adequate, accessible, financially sustainable, adaptable and efficient social protection systems and social inclusion policies;
- effective and mutual interaction among policies for greater economic growth, more and better jobs and greater social cohesion, as well as sustainable development;
- good governance, transparency and the involvement of stakeholders in the design, implementation and monitoring of policy.

What stands out for us in this framework is that it does not isolate poverty as a problem on its own but instead sees it connected to larger economic, social and political issues. It is also important that the EU countries must develop plans and report on how they are doing and so a great deal of information is publicly available, including on the EU website. We like this idea and think it creates a good way of sharing experience as well as some healthy competition.

> Coming from Europe, I strongly support Canada's intention to develop and implement a National Anti-Poverty Strategy... The social assistance/welfare net here is much thinner than other countries I have lived in the EU. This means people can fall into poverty faster and find it harder to get out.
>
> – one of the NCW's Questionnaire respondents[1]

SWEDEN

Within the EU, and because the Nordic countries tend to be very advanced on social security issues, we looked more closely at **Sweden**[1]. That government has set itself the objective of becoming the world's best country in which to grow old.

A universal welfare policy and an active labour-market policy are characteristic features of the Swedish social model and their poverty rates have for many years been very low compared to Canada, especially for lone parents. Sweden's welfare system includes general health care and social care, social insurance that provides financial security in illness, disability and old age and for families with young children and basic supplementary protection in the form of financial assistance. Sweden continues, however, within its long-term vision, to set specific priorities based on its own areas of greatest need and for the period 2006-2008, it intends to create more jobs, reduce ill-health at work, improve long term care, make society accessible for people with disabilities, tackle homelessness, increase integration, create the necessary conditions for a prolonged working life and achieve greater gender equality.

The Swedish government is also making efforts to improve coordination across local, regional and national authorities. It has, for example, created a commission whose work is focused on particularly vulnerable service users. Annual reporting is also an important element of government accountability to the Swedish population.

United Kingdom

The progress on poverty reduction in the **United Kingdom**[4] (UK) is especially interesting to the Council. Canada, the United States of America (USA) and the UK have often shared similar approaches to social and economic issues that are quite different from the Nordics, or France and other EU countries. These three countries have also generally had higher poverty rates than comparable countries. The USA continues to stand out as having the highest poverty rates among industrialized countries. In recent years, however, the UK has taken a very different approach to solving poverty that has yielded better results than Canada or the United States.

The United Kingdom has set out to halve child poverty by 2010 and to eradicate it by 2020.

In 1999, the UK government set the ambitious target of halving child poverty in Britain by 2010 and eradicating it by 2020. In addition, the UK has also set specific program targets, including an affordable childcare place for all children aged 3 to 14 years by 2010. We think this is a good way to ensure concrete action to reach the bigger picture targets. The UK also pledged to tackle what they called pensioner poverty.

The UK approach is built on a strategy of:

- targeted support for those who need it most—such as tax credits for families with children and increases to the basic state pension;
- work for those who can;
- breaking the cycle of deprivation—focus on improving educational opportunities for children;

- delivering high-quality public services—including health and social care, decent housing.

To this end, strategic responses have included a focus on lone parents, people with disabilities, members of ethnic minorities and older workers.

How poverty is measured was also an issue for the UK, as it has been for Canada for many years. After consultation on various measures, the UK determined that one measure alone was insufficient. The government finally decided upon a small set that better captures the risk and the reality of living in poverty.

"An effective welfare system ...should provide a bridge to walk on – not a platform to stay on. It must help our economy and our people adapt to change."[5]

– John Hutton, British Secretary of State for Work and Pensions

Although the UK still has a great deal of work to do, it is making progress. The proportion of children living in a household at-risk-of-poverty has gone from being among the highest in Europe at 27% in 1997/98 to 22% in 2004/05, closer to the EU average of 20%. Between 1999 and 2005, the proportion of early school leavers has gone down from 19.7% to 14%. A million pensioners and 800,000 children have been lifted out of relative poverty since 1999.

IRELAND

In the case of **Ireland**[6], the government has set very ambitous targets to reduce and eliminate the kind of basic deprivation it calls "consistent" poverty. In 1997, a 10-year National Anti-Poverty Strategy (NAPS) was launched. Prior to the strategy design, government consulted widely with stakeholders, including people experiencing poverty. National Action Plans against Poverty and Social Exclusion were implemented with specific poverty reduction targets. Its plans to reach the targets included a combination of new and existing measures focused on children—early childhood development and care, improving education and health outcomes, and income support. Other measures included the coordination of immigration services, a national integration policy based on equality principles and social inclusion, the design of an action plan against racism and a range of health, education and housing services for minority groups.

Another important feature of Ireland's ongoing efforts is the planned Irish National Women's Strategy, coordinated across government and aimed at enhancing the socio-economic status of women, their well being and their participation in decision-making and civil society[7]. The Irish Office for Social Inclusion has been charged with monitoring and reporting on social inclusion matters across the range of strategies and will co-ordinate a single national social inclusion report on an annual basis.

Ireland's results so far are impressive. The rate of people experiencing consistent poverty dropped from 15.1% in 1994 to 5.2% in 2001. In the year between 2003 and 2004, the rate for children under age 15 dropped from 12.2% to 9.5 %.

In the European examples, it is also important to note that poverty reduction and social investments are working hand-in-hand with strong economic performance. It is the case as well that many other countries with decent working conditions and measures to support families with children, for example, are also strongly competitive economically.[5]

New Zealand

Outside of Europe, another country that is similar to Canada in many ways, including having a significant Aboriginal and immigrant population, is **New Zealand**[6]. In 2003, it adopted a new social development approach, whose main elements are social protection and social investment. It has also recognized that greater attention needs to be paid to populations that are disadvantaged. In its new youth development strategy, for example, the approach is designed to reconnect young Maori with their whakapapa links and encourage mainstream institutions to be more responsive to the needs of young Maori. It includes a respect for the treaty-based restorative process and the fact that many young Maori are disconnected from their geneology, tribes and nation.

There are two particularly interesting features of New Zealand's approach—its use of consultation and indicators for monitoring progress. For example, the development of the Agenda for Children involved contributions from community experts and government officials, as well as nationwide consultations with children, young people and adults. Indicators on social wellbeing in New Zealand have been released yearly since 2001 to monitor trends over time and to make comparisons with other countries.

United Nations

Around the globe, the fight against poverty is the highest priority for the majority of countries. The United Nations has set eight Millenium Development Goals (MDGs) from halving extreme poverty to halting the spread of HIV/AIDS by the target date of 2015. The goals and targets form a blueprint agreed to by all the world's countries and all the world's leading development institutions. Canada and other donor countries are aiding these efforts in developing countries. Almost all developing countries, therefore, have a poverty eradication action plan (PEAP) to work towards the targets that have been set. This is creating a wide and varied body of knowledge and experience. Canada should not discount what it can learn from those whose struggles are more severe than ours. The urgent need to go beyond business-as-usual can generate remarkable innovation.

What the example of the larger global context highlights for the Council is that even though the nature and degree of poverty is starkly different in developing countries than in Canada or other industrialized countries, the government strategies for fighting it are amazingly similar—measurable targets, action plans, consultation and reporting.

ANTI-POVERTY STRATEGIES IN CANADA

In Canada, we have never had a national anti-poverty strategy. Quebec and Newfoundland and Labrador, however, both have provincial strategies. Their strategies were largely driven from inside the province but they share much in common with each other and with other country examples. They also give us a closer-to-home perspective on the challenges and opportunities for change in the Canadian context, and they have some unique features as well.

"Virtually every aspect of the labour market has changed dramatically in the last 40 years, but we have not modernized our income security system to keep up with those changes."

– from the MISWAA Task Force Report

QUEBEC

In **Quebec**, the anti-poverty strategy was initiated by a broad-based citizens' movement called "Le Collectif pour un Québec sans pauvreté" which involves 30 provincial organizations and 15 regional groups aiming to fight poverty and social exclusion at their root causes. The Collectif formed in 1998 to hold public consultations and propose social reform in the form of legislation. This public pressure resulted in the unanimous adoption of the *Act to Combat Poverty and Social Exclusion* by the provincial legislature in 2002. The law is quite specific and has accountability structures built in, so it can provide the stability and long-term direction that lasts through changes in government. The NCW thinks this is very important because poverty is such a persistent problem with few quick or easy solutions.

Quebec's overall goal is to achieve one of the lowest levels of poverty among industrialized societies by 2013. This goal is measurable and, as with EU countries and New Zealand, allows comparison with other societies. The NCW thinks this is a good way to encourage learning and sharing to improve everyone's success rates.

In Quebec, like in the EU, there is a commitment to the larger objectives of reducing social exclusion, prejudice and inequalities that are detrimental to social cohesion and to encouraging participation in community life and social development.

The Act fosters citizen engagement in the ongoing implementation and evaluation of the strategy with the creation of an advisory committee that includes members from anti-poverty groups and from various sectors of Quebec society. The Act also calls for a monitoring, research and discussion centre aimed at providing reliable and objective information on poverty and social exclusion. The advisory and research bodies have been tasked with recommending a series of poverty and social exclusion indicators. Quebec has already published a low-income measure calculated the same way as EU countries do, a measure that is not as commonly used in other parts of Canada.

> For the purposes of the Quebec Act, "poverty" means the condition of a human being who is deprived of the resources, means, choices and power necessary to acquire and maintain economic self-sufficiency or to facilitate integration and participation in society.[10]

Quebec's goals, targets and initiatives also come with budgets. For example, the October 2006 Year Two Report shows nearly $2 billion was paid out under the new refundable Child Assistance tax credit, which covers the basic needs of dependent children under 18, an increase of $550 million over 2004 amounts.

Newfoundland and Labrador

In **Newfoundland and Labrador**, in contrast to Quebec, the beginning of a strategy to address poverty was a 2005 government initiative stemming from an election promise[11]. The government then involved community groups, business and labour in the design of the strategy and the initiatives it would contain. Consultation continues to be a central part of the strategy. Strong coordination across different parts of government is a particularly notable feature of the strategy from the NCW's perspective.

The overall goal of the province's Poverty Reduction Strategy is to transform itself into the province with the least poverty in the country[12]. There are also specific goals: improved access and coordination of services for those with low incomes; a stronger social safety net; improved earned incomes; improved early childhood development; and a better educated population.

Poverty indicators are also a key part of the strategy, including a Market Basket Measure adapted from the one developed by the federal government with modifications to better meet the province's realities[13].

As in Quebec, resources are attached to the plans. For example, the expansion of eligibility for the Newfoundland and Labrador Prescription Drug Program

to include more low-income people, represents an investment of $8.3 million in 2006/07 and $32.8 million annually thereafter[14].

Lessons learned from anti-poverty strategies

There are many other similarities between the two Canadian provinces that have adopted comprehensive anti-poverty strategies and with many of the countries we looked at. The range of initiatives and programs is broad and the issues are remarkably similar. Gender equality is a central feature of almost all, as is recognition that in each society some people are more disadvantaged than others and that their needs must be a priority. The governments of Quebec, Newfoundland and Labrador, New Zealand and others have agreed, for example, on the need for a strategy adapted to the reality of Aboriginal peoples. Almost everywhere as well, progress is being sought in childhood development and care, access to education and training so adults can participate in the labour market, better jobs, income, social security for people who are not in the labour force, access to health care and other services, and affordable housing.

On the other hand, the Quebec and Newfoundland and Labrador strategies highlight a key Canadian difference—the need for provinces, territories and the federal government to work together to find lasting solutions. This is recognized in the existing strategies. The success of any provincial or territorial effort to reduce poverty will depend on the engagement and cooperation of the federal government. A national strategy is, therefore, in the best interests of all orders of government in Canada.

> [Translation] The fight against poverty shouldn't be a struggle between the various levels of government (areas of intervention).
>
> – one of the NCW's Questionnaire respondents[1]

The creation of our national health care system is an example of how effective governments can be when they work together towards common ends. In the 1960s, all the jurisdictions were also able to find the vision and agreement needed to provide comparable security for seniors across the country and to dramatically reduce their poverty rates. The NCW thinks a national anti poverty strategy in Canada could provide the vehicle for similar progress for working-age Canadians and their children. We will be a stronger country and society if we can do it.

If we consider that 25 very different European Union countries can agree on objectives, plans, timetables and reporting, Canada should be able to do as well or better.

OTHER CANADIAN INITIATIVES

Many individuals and national and international organizations have examined the changing faces of poverty and insecurity in Canada and have offered many solutions over the years. The following few examples are offered as an illustration that Canada lacks action, not good ideas.

- The Task Force on Modernizing Income Security for Working Age Adults is a broad-based coalition in Ontario spearheaded by St. Christopher House, a multi-service neighbourhood centre that works with low-income people in Toronto, and the Toronto City Summit Alliance. It included a wide range of leaders from labour, business, minority, women's, social justice, economic and faith-based groups. The 2006 Report of the Task Force contains many valuable recommendations upon which there is a general agreement among this diverse coalition.

- The TD Bank Financial Group in a 2005 study argued for "a more effective and equitable income transfer system—one that does a better job of bringing disadvantaged individuals into the economic mainstream".

- The Caledon Institute of Social Policy proposed a new social architecture in a report released in 2006.

- The 2006 Arthurs report reviewing Canada's federal labour standards recommends the federal government review the extent to which existing programs of income support are consistent with provisions designed to protect new and prospective mothers, ill and disabled workers and other categories of workers protected by the *Canadian Human Rights Act*[15].

> "...no worker should be paid so little that, after working full-time at a regular job for a full year, they will still find themselves with less money than they need to live at or just above the poverty line."
>
> – from the 2006 Arthurs Report on federal labour standards

- A Guaranteed Annual Income has been often recommended over the years. In response to those who worry about its price tag, Senator Hugh Segal, in a September 2006 article in the Toronto Star, stresses "that the municipal, provincial and federal governments are currently footing the rather hefty price tag of poverty as it translates into health-care costs, an overburdened judicial system, a myriad of social services that often duplicate each other and the basic loss of human productivity".

- The Vibrant Communities Initiative[16], which includes communities from across Canada, four national project sponsors and many corporate and financial partners, has been developing innovative ways to reduce poverty with

people living in poverty working as partners to shape the solutions. It grew out of a local effort launched in 1996 to look at root causes and find pathways out of poverty, not just alleviate it.

"Canada spends billions of dollars each year on efforts to alleviate poverty through income subsidies and social programs. These efforts help poor people, but they don't eliminate poverty. Canada has not been able to tackle poverty with a comprehensive strategy that yields the only sustainable result that really matters – fewer poor people."

– Vibrant Communities Initiative

- The recommendations of the 1996 Royal Commission on Aboriginal Peoples are among those that could be considered as part of a strategy to address the specific historic circumstances that make poverty rates among First Nations, Inuit, and Métis among the highest in Canada.

- A national childcare system is one of the most recommended and studied policy options, dating from the 1970 Report of the Royal Commission on the Status of Women yet Canada is still far behind other countries on this issue.

KEY FINDINGS FROM OUR QUESTIONNAIRE TO CANADIANS

When the National Council of Welfare developed its Anti-Poverty and Income Security Questionnaire, we already had a good idea of the common elements in the anti-poverty strategies that exist. What we then wanted to know was what Canadians thought about a national strategy for Canada and what was most important for them. We have also put out a statistical overview of the results and you can find it at www.ncwcnbes.net.

As a survivor of poverty, I know that the courage, intelligence and humour of people living in poverty is unrecognized. How do we encourage people in poverty to flourish the natural gifts they possess if we don't even acknowledge they exist?

– one of the NCW's Questionnaire respondents[1]

We would like just briefly here to highlight what we find most valuable and positive in our view of the results. First, we consider the response rate very good with more than 5000 individuals and over 400 organizations representing hundreds of thousands more Canadians. Second, the diversity of respondents is also impressive—they come from different age, language, education, income, family and other backgrounds and about a fifth are employed as workers

in poverty and income security areas. A majority of respondents are female.

About a third of our respondents have never lived in poverty. Another third experienced extreme or long-term poverty. The remainder, who may be doing very well now, indicated they lived in poverty for a short period of time. Due to special Council efforts, our respondents include homeless people from different parts of Canada. Over a third of the respondents are always or frequently worried about living in poverty, about another third are sometimes worried, and the remainder rarely or never worry.

Given this diversity, even we were surprised at the overwhelming percentage of agreement among respondents that fighting poverty should be a higher government priority and that federal leadership is needed in developing an anti-poverty strategy.

> ... Paying more than 50 percent of my income on rent alone, plus eating only one or two meals a day, never entertaining, seldom going out to anything that costs money, is not the rich existence I had hoped for.
>
> – one of the NCW's Questionnaire respondents[1]

The two elements of a strategy rated of highest importance by most respondents were:

- an action plan with goals, commitments and accountability for results and
- better coordination across governments.

The other elements listed in the questionnaire, including analysis of root causes, consultation with Canadians, a law that commits governments to fight poverty, and official poverty measures, were all rated as having medium high importance. In a separate question about what kinds of indicators are needed, most recommended a measure based on the actual cost of necessities. This indicates that Canadians are both practical and fair and that they think that people should have enough to cover basic necessities, recognizing that the cost of living varies a great deal across this country. This view is also supported by strong agreement among respondents that the most disadvantaged need to benefit from a strategy, not just those whose incomes are just under the poverty line.

The focus of this report is on the necessary foundations of a strategy, and we intend to publish more detailed recommendations on specific issues and actions needed in the coming months. The overall pattern of responses to our issues and actions questions, however, argues strongly for a comprehensive strategy. Our respondents did not single out any one action that could solve the problem. Instead they considered a range of income security programs and social services of similar importance, but not working as well as they should. The concern that programs are not as effective as they could be also links closely to the high priority respondents

placed on better coordination across governments, and this came out clearly in many of the respondent's additional comments.

The top actions that respondents thought could make a difference included a guaranteed liveable income, affordable housing, childcare and education and training. This comes as no surprise. What the Council did find revealing, however, is the remarkable similarity in issues and needed actions in Canada and in the many societies it reviewed. A society's priorities will differ based on what has already been achieved. Canada has done a good job at reducing seniors' poverty, for example, and Sweden has very low lone-parent poverty. But overall, the objectives and the challenges are similar. This provides further evidence that there is a great deal to learn from each other.

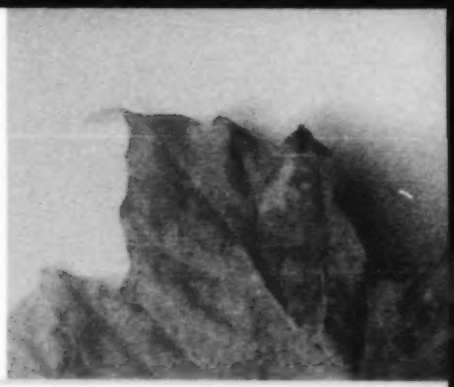
When I was on welfare I was led to believe that if I got a good job I would be financially fine. However I have a job that pays double the min. wage. I live in social housing. But I am no better off. At least when I was on welfare I didn't have to pay for medications, my rent was set and I could access more social programs. Now my rent is 300 higher I pay for my own meds (150 a month) I make too much money for many of the programs. It's not all about A JOB. I need more education, cheaper housing and a med program. And it's not all about money.

– one of the NCW's Questionnaire respondents[1]

As the information in the 'What we learned' section indicates, the Council's exploration into developments in Canada and in other parts of the world reveals that there are many differences in the details of fighting poverty, but there are also many common threads, as well as some innovative and promising practices that have potential for a Canadian national anti-poverty strategy. These are outlined in the next section.

PART 3

COMMON THREADS AND PROMISING PRACTICES



It is not by chance that poverty will be resolved—it is by good design. The Council considers the following elements to be the most consistently and effectively used in different societies to achieve results:

- Strategies with a long-term vision and goals, and often goals to be reached in stages. The vision and the goals stay in place even when governments change—they are a policy of the state, not a government.
- Measurable goals and timetables, with a set of indicators used to measure progress towards these goals.
- Action plans detailing the policies and programs, as well as the budget allocations, needed to achieve the goals. The successive plans are adjusted over time as results are achieved or new challenges arise.
- Structures and mechanisms that ensure comprehensiveness and coordination across parts of government responsible for social, economic, environmental and other linked policy areas.
- Accountability mechanisms such as reporting frameworks and processes that make information about results regularly available to the public.
- Specific attention to populations most at risk of poverty, to matters of social inclusion as well as income, and to gender equality, which is a universal central objective.
- Government consultation with stakeholders, especially people living in poverty, as strategies and plans are being developed, implemented and evaluated over time.

The Council also found some promising practices that are very important in their own contexts and offer possibilities that might work in a Canadian national context. For example, the high degree of universality in social security system's such as Sweden's and the concept of a guaranteed liveable income put forward in Canada merit further attention. Anti-poverty legislation is also worth examining closely as a way of fostering accountability and long-term action. The importance of leadership and political will was a strong common thread. But they are elements that come in many collective and individual forms across societies. There are many examples to reflect upon that may have potential in the Canadian context.

PART 4

THE WAY FORWARD FOR CANADA: THE FOUR CORNERSTONES

When the National Council of Welfare started looking into anti-poverty strategies, it became quickly apparent to us that if there is no **long-term vision, no plan, no one accountable for carrying out the plan, no resources assigned and no accepted measure of results,** we will continue to be mired in poverty for generations.

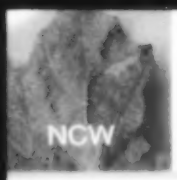
As we learned more about existing strategies and about what Canadians think, we are even more convinced that these kinds of elements need to be the foundation for lasting solutions to the problem of poverty in Canada. We are confident that the elements recommended below reflect the most important and workable first steps in Canada.

1) A national anti-poverty strategy with a long-term vision and measurable targets and timelines.

Because Canada has a federal system, solving poverty requires a national strategy and a leadership role for the federal government. Canadians could select a comparative target and aim, for example, to have the lowest poverty rate among the G8 or OECD countries. On the other hand, there could be a specific target such as halving the poverty rate in ten years. There could be progressive short, medium and long-term targets. There could also be targets for segments of the population that are most at risk.

2) A plan of action and budget that coordinates initiatives within and across governments and other partners.

In Canada, this means that federal, provincial/territorial, municipal and Aboriginal governments, as well as agencies outside of government, are all important players. They must work towards common objectives and provide adequate and appropriate human and financial resources to implement their actions. Government mechanisms to ensure coordination and cooperation among departments and ministries will be essential. Within a comprehensive plan, specific focus may be needed on factors such as gender, racism, illness and injury that put some Canadians at greater risk of poverty than others.



3) A government accountability structure for ensuring results and for consulting Canadians in the design, implementation and evaluation of the actions that will affect them.

Accountability can take many forms—legislation, ministerial responsibility for the strategy, public reporting on progress in meeting targets and timelines, specific policy and program targets and measures tied to goals or an independent oversight agency.

4) A set of agreed poverty indicators that will be used to plan, monitor change and assess progress.

What Canadians decide to place in that core set of indicators will depend on the targets and priorities of a national strategy. It will likely be necessary to have multiple measures so that we can track different dimensions of poverty, such as deprivation, social exclusion and inequality.

The National Council of Welfare urges the establishment of a made-in-Canada national anti-poverty strategy, as one of the most important initiatives the federal government could undertake. It is an initiative that Canadians will support—they value fairness, they want their country to continue to prosper, and they believe we can reduce poverty and inequality. All our governments should be encouraged by that confidence.

[1] Excerpts from the NCW's Questionnaire are used in this document to reflect some of the key perspectives shared by our respondents. The responses are anonymous but the NCW, in some cases, has slightly altered or omitted certain details as an additional precaution to ensure that individuals cannot be identified.

[2] *Growing Gap, Growing Concerns, Canadian Attitudes Toward Income Inequality*, CCPA, November 20, 2006, 14 pages, www.GrowingGap.ca

[3] Sweden's Strategy Report for Social Protection and Social Inclusion 2006-2008, Ministry of Health and Social Affairs, 2006, http://ec.europa.eu/employment_social/social_inclusion/naps_en.htm

[4] UK National Report on Strategies for Social Protection and Social Inclusion, 2006-2008, 2006, http://ec.europa.eu/employment_social/social_inclusion/naps_en.htm

[5] John Hutton, Secretary of State for Work and Pensions, speech to Welfare to Work Convention 2006, Birmingham 19th June 2006, http://www.dwp.gov.uk/aboutus/2006/19-06-06.asp

[6] National Report for Ireland on Strategies for Social Protection and Social Inclusion, 2006-2008, 2006, http://ec.europa.eu/employment_social/social_inclusion/naps_en.htm

[7] Idem

[8] See, for example, Jody Heymann, *Forgotten Families: Ending the Growing Crisis Confronting Children and Working Parents in the Global Economy* (Oxford University Press, 2006), showing that strongly competitive countries also have, on average, better working conditions and longer parental and child-related leaves.

[9] Statement of Intent 2003, http://www.msd.govt.nz/publications/statement-of-intent/2003/social-development-approach.html

[10] R.S.Q., chapter L-7, *An Act To Combat Poverty And Social Exclusion*, http://www2.publicationsduquebec.gouv.qc.ca/dynamicSearch/telecharge.php?type=2&file=/L_7/L7_A.html, 2002, c.61, s.6

[11] http://www.exec.gov.nl.ca/thronespeech/2005/speech2005.htm#Addressing

[12] *Reducing Poverty: An Action Plan for Newfoundland and Labrador*, Appendix A: Key Budget Initiatives for 2006/07, 2006, http://www.hrle.gov.nl.ca/hrle/poverty/poverty-reduction-strategy.pdf

[13] *Reducing Poverty: An Action Plan for Newfoundland and Labrador*, Appendix B: How Poverty is Measured, 2006.

[14] *Reducing Poverty: An Action Plan for Newfoundland and Labrador*, Appendix A: Key Budget Initiatives for 2006/07, 2006.

[15] *Fairness at work: Federal Labour Standards for the 21st Century*, Commissioner Harry Arthurs, 2006, Recommendation 6.8, http://fls-ntf.gc.ca/en/fin-rpt.asp

[16] Poverty Reduction, 2006, http://tamarackcommunity.ca/g2s12.html

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The National Council of Welfare was established by the *Government Organization Act* in 1969, as an arm's length advisory body to the federal government. It advises the Minister of Human Resources and Social Development on matters of concern to low-income Canadians.

The Council consists of members drawn from across Canada and appointed by the Governor-in-Council. All members serve in their personal capacities rather than as representatives of organizations or agencies. Council membership over the years has reflected expertise in a wide range of social development and social security issues. Members have also reflected varied backgrounds, from education and social work to voluntary sector organization and policy analysis, including experience living in poverty.

Reports by the National Council of Welfare deal with a wide range of issues on poverty and social policy in Canada, including income security programs, welfare reform, medicare, poverty lines and poverty statistics, the retirement income system, taxation, labour market issues, social services and legal aid.

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